

EXHIBIT E

UNITED STATES DISTRICT COURT

Exhibit E

MIDDLE DISTRICT OF PENNSYLVANIA

JILL BALLARD, REBECCA VARNO,
and MARK POKORNI on behalf of
themselves and the class members
described herein,

Plaintiffs,

Civil No.

vs.

3:18-cv-00121-MEM-MCC

NAVIENT CORPORATION,
NAVIENT SOLUTIONS, INC., and
NAVIENT SOLUTIONS, LLC,

Defendants.

Deposition of JEFFREY A. STINE

June 24, 2022

Misty Klapper, RMR, CRR and Notary Public.
484458



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1 UNITED STATES DISTRICT COURT
2 MIDDLE DISTRICT OF PENNSYLVANIA

3 JILL BALLARD, REBECCA VARNOW,
4 and MARK POKORNI on behalf of
themselves and the class members
described herein,

5 Plaintiffs,

Civil No.

6 vs.

3:18-cv-00121-MEM-MCC

7 NAVIENT CORPORATION,
8 NAVIENT SOLUTIONS, INC., and
9 NAVIENT SOLUTIONS, LLC,

10 Defendants.

11
12
13 Deposition of JEFFREY A. STINE, taken on behalf of
14 Plaintiffs, via Zoom remote videoconference, beginning
15 at 9:34 a.m. on Friday, June 24, 2022, before Misty
16 Klapper, RMR, CRR and Notary Public.
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1 APPEARANCES:

2 (ALL APPEARANCES VIA ZOOM REMOTE VIDEOCONFERENCE)

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10 AND

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ALSO PRESENT:

MATT SHELDON

1 A. I believe so, yes.

2 Q. Of course, subject to a protective
3 order --

4 A. Yes, it could.

5 Q. -- on the record.

6 A. Yeah.

7 Q. So, then, it's fair to say that every
8 borrower who gets enrolled in a verbal
9 forbearance, they all get the same exact
10 disclosures, correct?

11 A. That is correct. They will also
12 receive a written confirmation, which restates
13 all those same items that they heard in the
14 script is sent to them as well.

15 Q. Are there any kind of time limits on
16 how long a verbal forbearance can last?

17 A. We would not issue a verbal
18 forbearance for longer than 12 months at a time.
19 But generally we would issue the verbal
20 forbearance, you know, in the shortest amount of
21 time possible just to resolve what that
22 delinquency -- the current existing delinquency.

23 So it's not always offered in
24 12-month increments, but the maximum time frame
25 that we would offer it is 12 months.

1 Q. So they can last -- under the federal
2 regulation, they can last up to a year, even if
3 they're not requested in writing?

4 A. That's correct.

5 Q. And every time a borrower is enrolled
6 in a verbal forbearance, that gets recorded in
7 the account records; is that correct?

8 A. Correct.

9 Q. And it would get recorded with a
10 standardized entry, so it's easy to see when that
11 occurred, correct?

12 A. That's correct.

13 Q. Now, regardless of whether a
14 verbal -- I'm sorry -- regardless of whether a
15 discretionary forbearance is requested in writing
16 or verbally, that would always result in a
17 capitalization of unpaid interest that accrues
18 during the forbearance; is that right?

19 A. That's correct.

20 Q. Is there ever a circumstance when
21 that would not happen?

22 A. A circumstance where a discretionary
23 forbearance -- where the interest associated with
24 a discretionary forbearance is not capitalized?

25 Q. Correct.

1 A. I cannot think of one.

2 Q. When a discretionary forbearance does
3 result in an interest capitalization, when does
4 that interest actually get added to the principal
5 balance? Does that happen on the last day of the
6 forbearance or some other time?

7 A. It happens at the expiration of the
8 forbearance and on the date the customer reenters
9 repayment.

10 Q. Can you just expand on that a little?
11 Like in terms of the temporal nexus, like how
12 many days would that be out from the day that the
13 forbearance ends typically?

14 A. It would be the next day.

15 Q. The next day, okay.

16 Now, in contrast to discretionary
17 forbearances, there's also a 60-day
18 administrative forbearance, which may be applied
19 when a loan servicer is reviewing a borrower's
20 request to make a change in repayment plan; is
21 that correct?

22 A. Yes. Administrative forbearance is
23 applied for that 60-day period to allow the
24 customer time to submit their documentation.

25 Q. Okay. And what triggers the

1 application of that forbearance?

2 A. That is usually triggered by the
3 consultation between the customer and the
4 customer service agent. You know, the customer
5 has indicated that they have intended to apply
6 for an IBR plan and we'll generally apply that
7 60-day administrative forbearance to allow them
8 time to receive the documents, complete them and
9 submit them.

10 Q. And that consultation you mentioned,
11 that would typically be over the phone?

12 A. Correct.

13 Q. Now, just for clarity also, I'm going
14 to refer to that kind of forbearance as the
15 60-day administrative forbearance going forward.

16 Fair enough?

17 A. Yes.

18 Q. Okay. Unlike discretionary
19 forbearances, the 60-day administrative
20 forbearance does not result in a capitalization
21 of interest that accrues during the forbearance;
22 is that your understanding?

23 A. That is correct.

24 Q. And the purpose of that, to the
25 extent that you know, of course, is so that